



HARTFORD DISPENSARY
Established 1871

February 15, 2013

To: Appropriations Committee Members

From: Russell Buchner, Director of Performance Improvement
Hartford Dispensary

**Re: Written Testimony Concerning Governor's Budget Reductions to DMHAS & DSS's
Proposed Restructuring of Methadone Maintenance Reimbursement**

Hartford Dispensary is concerned about our ability to provide methadone maintenance serves to persons who are seeking to end their dependence on opiate as a result of the combined reductions in substance abuse grant funding to DMHAS and the proposed DSS "Restructure of behavioral health reimbursement to include methadone maintenance."

The agency does not support the proposed reductions in DMHAS grants & the DSS restructure of behavioral health and methadone maintenance reimbursement, which could result in reduction in services to those in need of our services.

The Hartford Dispensary is a private, nonprofit, healthcare organization providing mental health and substance abuse treatment, prevention, and research. The agency was originally established in 1871 as an outpatient medical facility chartered specifically to provide medical services to the poor and indigent residing in the greater Hartford area.

After a long and distinguished history of providing traditional medical, surgical, and dental services, the agency changed its focus in 1971 to the delivery of outpatient behavioral health care services in response to the heroin epidemic of the 1960s.. Since that time, the agency has developed highly specialized and regulated medication maintenance services, substance abuse prevention programs, and infectious disease services. For many years, the agency has actively participated in pharmacological and psycho-social research protocols.

Research demonstrates that, for the appropriate population, methadone maintenance is treatment of choice. Presently, the agency has some 4,100 patients on its daily census with services provided within its network of nine (9) statewide clinics.

The agency prides itself in being the lowest cost methadone maintenance provider in the state while , at the same time providing award winning, quality programs. We have experienced various budget cuts over the past three years. We have absorbed those reductions through reductions in both services hours and staff. With new cuts on the table, our ability to serve all persons in need is becoming more uncertain.

- **Methadone Maintenance Service Needs are Growing .** DMHAS data shows that there were 11,906 unduplicated persons who received methadone maintenance services in FY 2012. During that period the Hartford Dispensary served 4,400 unduplicated patients or some 37% of the total.

The DMHAS budget projects 13,692 patients in FY 13; 15,746 in FY 14; and 17,635 patients in FY 15. This growth is due in part an increase in prescription drug users, who now represent some 20% of our admissions.

- **DMHAS Reduction in Grant Reimbursement.** The DMHAS budget shows a reduction in “Grants for Substance Abuse Services” for FY-14 of \$916,000 (9%) followed in FY 15 by a \$5,981,218 or 53% reduction. (Page 279). This is supposed to be off-set as more of our population will be eligible for Medicaid or receiving insurance through the state health exchange.
- **Expected Reduction in DSS Methadone Maintenance Medicaid Reimbursement.** However, the proposed DSS budget includes a budget line description “Restructure behavioral health reimbursement to include methadone maintenance : FY 14 \$4.1 million reduction and FY 15 \$5.1 million reduction. (Page 338). These actions will most surely result in a reduction in Medicaid reimbursement for people receiving methadone maintenance services . We do not, and cannot know the financial impact at this time.
- **DSS Regulatory Changes.** Finally, DSS has drafted new and revised regulations that will result in our agency having to change our entire business and service delivery model. Historically we have hired and trained entry level employees as counselor’s. Many of these employees came from the communities we serve, to include persons in recovery. Proposed regulatory changes will require us to instead hire licensed counselors who may not represent the communities we serve, at a far higher cost.

Thus, the number of methadone maintenance patients is predicted to continue to rise, while reimbursement is reduced due to DMHAS grant/federal grant reductions along with Medicaid restructuring of methadone maintenance reimbursement that lowers funding, while new/revised DSS Medicaid regulation increase personnel costs substantially.

These factors are creating a perfect economic storm that may result in persons seeking to end their addiction to narcotics, being unable to access appropriate, quality services. Our ability to provide treatment on demand will be hindered. This could result in the return of waiting lists for methadone maintenance services. For example, in the 1990s, the agency once had a waiting list of 350 patients with a six (6) month delay in access to services.

As well as supporting person in recovery, methadone maintenance service providers offer unique public safety and public health benefits to the communities they serve and the state.

- **Public Safety.** Persons who receive methadone begin to immediately reduce drug seeking behavior as well as criminal behavior related to supporting their addiction. Methadone maintenance programs reduce crime activity in the communities where they are located.
- **Incarceration vs Treatment Costs.** The cost/benefit of our services is clear agency FY 2012 cost of \$3,750 per year compared to an incarceration at a rate of over \$18,492 per year.
- **Public Health.** IV drug users are at high risk for infectious diseases such as AIDs and Hepatitis A, B & C. Some 62% of our current population is positive for hepatitis C. Our agency has a comprehensive infectious disease program that includes screening, prevention education, as well as a hepatitis A & B vaccine program and hepatitis C treatment.

- **Personal Recovery.** A high percentage of persons seeking to end their addiction to opiates make significant progress after a few weeks on methadone. Their lives become stable, they are able to work, take care of their families, and function without the constant need for drugs.

We know we will lose grant funds the actual Medicaid and health exchange offset is unknown? Will those in the health exchange receive methadone maintenance benefits?

In conclusion, Substance Abuse funding for methadone maintenance is an investment in healthy and safe communities, as well as a valuable recovery service for persons who are seeking to end their dependence on narcotics.